Understanding the Paycheck

Q. What is the difference between gross earnings and taxable gross?

A. See below.

Paycheck Summary

Gross Earnings – Wage times hours worked, plus any reimbursements Federal Taxable Gross – Income amount subject to Federal Taxes

Paycheck Summary									
	Gross Earnings	Fed Taxable Gross	Total Taxes	Total Deductions	Net Pay				
Current	2,125.83	1,800.09	498.93	358.82	1,268.08				

Q. What recent changes to the paycheck view make it easier to understand?

A. A "Rate Used" column was added to the paycheck view to identify types of earnings.

o Key:

■ "F" – FLSA

■ "NP" – No Pay

■ "H" – Hourly

■ "A" – Amounts

• "U"- Unit

Earnings	<u> </u>				
Description	Rate Used	Hours	Rate	Amount	YTD Amount
Regular		72.00	23.298000	1,677.45	7,944.58
Holiday	Н	8.00	23.298000	186.38	745.52
Overtime 1	F	4.00	23.508409	140.21	842.18
Hazwoper	U	28.00	0.331000	9.26	89.34
GTT					5.15
LEK					5.66
Vacation					629.04
Total:		112.00		2,013.30	10,261.47

Q. What do the earning descriptions mean?

A. See below a description of commonly used earning types.

Earnings Description

YTD Year-To-Date cumulative totals – wages, deductions, payments

Regular Pay for 'regular' hours worked

T&L – RFR Pay reduction from regular pay - amount replaced by sick, vacation, holiday, or compensatory time pay (also shows as a minus \$\$

under Regular)

Retro Pay Retroactive pay

Sick Sick pay

Comp Used Compensatory time pay

Vacation Vacation pay Holiday Holiday pay

Other Lv Administrative leave granted by manager

Adj/Sck Hr Adjustment of sick leave hours reduces your balance to compensate for the annual sick leave payout if you qualify and elect to receive

payment on the 2nd paycheck in January each year

Sck Py -50%,

75%, 100% Annual sick leave payout if you qualify and elect to receive payment on the 2nd paycheck in January each year

GTT Gate truck premium

Adj/Vac Hr Annual vacation leave payout per Police union contract

Vac/Payoff Final vacation pay

F&B Reimb Food and beverage reimbursement
Misc Reimb Miscellaneous purchase reimbursement

Tvl Reimb Travel reimbursement

Uniform Uniform allowance per union contract

LEK Leak investigator/locator

Q. How do you calculate the Fair Labors Standard Act (FLSA) overtime rate?

A. See example below.

FLSA Overtime Calculation

Notes regarding the example used to explain the calculation of overtime using FLSA:

The premium known as 'Hazwoper' is a hazardous materials premium, and OT means overtime

FLSA rules mandate the overtime rate of pay must be calculated separately for each week

Since the overtime rate can differ each week by the premiums worked, there can actually be two overtime rates in a paycheck

A premium and OT occurred only in week 1 shown below, but if there was OT in week two, the calculation would have to be done for week 2, separately

Earnings Types identified by an "F" are FLSA impacted. The FLSA rate will be shown on the paycheck for calculation of overtime.

Earnings					
Description	Rate Used	Hours	Rate	Amount	YTD Amount
Regular		72.00	23.298000	1,677.45	7,944.58
Holiday	н 🏒	8.00	23.298000	186.38	745.52
Overtime 1	F 💆	4.00	23.508409	140.21	842.18
Hazwoper	U	28.00	0.331000	9.26	89.34
GTT					5.15
LEK					5.66
Vacation					629.04
Total:		112.00		2,013.30	10,261.47

Below is the actual timesheet, highlighted are the hours that were worked at the premium pay (hazwoper)

mesh	eet)	Ov	errides	1	9														
Mo 2/1	-	Tue 2/14	Wed 2/15	Thu 2/16	Fri 2/17	Sat 2/18	Sun 2/19	Mon 2/20	Tue 2/21	Wed 2/22	Thu 2/23	Fri 2/24	Sat 2/25	Total	Time Reporting Code		OT Priority		Combo Code
								8.00						8.00	HOL - Holiday	~		٧	074006900600
									8.00					8.00	REG - Regular Earnings	~		~	001006070200607P0912-
		400	8.00		4,00									16.00	REG - Regular Earnings	٧		~	074006900600-690CW428
			4.00											4.00	REG - Regular Earnings	٧	Yes	~	074006900600-690CW42
					1,00									1.00	REG - Regular Earnings	٧		٧	074006900600-690CW44
												4.00		4.00	REG - Regular Earnings	٧		٧	074006900600-690CW44
4.0	00									8.00				12.00	REG - Regular Earnings	٧		٧	074006900600-690CW44
		4:00												4.00	REG - Regular Earnings	٧		٧	074006900600-690CW44
				8.00										8.00	REG - Regular Earnings	٧		٧	074006900600-690TRAIN
4.0	00										8.00	4.00		16.00	REG - Regular Earnings	٧		٧	074006900600690D1212
					3.00									3.00	REG - Regular Earnings	~		~	074006900600690D1212

	Hrs.	Rate	Total	
Regular rate of				
pay	44	23.298	\$1,025.112	
Premium rate of pay	28	0.331	\$9.268	
			\$1,034.380	First, add the Hazwoper premium pay and regular pay totals together
Hours F	LSA Rate	V		
			y hours worked (4	4) to get
44 23	3.50863636	FLSA rate		
				.5 to get the
		.5 is the fixed FL	SA rate	
	Premium rate of pay Hours 44 23	Regular rate of pay 44 Premium rate of pay 28 Hours FLSA Rate 44 23.50863636	Regular rate of pay Hours FLSA Rate Divide 1034.38 b FLSA rate Premium OT 11.75432 Rate Then multiply FL premium OT rate	Regular rate of pay

			Tota		
STEP 4	Hours	Rate	1		
			93.1	4 hours at regular	
	4	23.298	9	pay	
			47.0	4 hours at premium OT	
	4	11.754	2	rate	
			140.	Add the premium OT rate and the regular rate together to get the final	
		35.052	21	OT rate of 35.052	

The correct overtime rate is 35.052 for week 1, and since week 2 had no overtime, a separate calculation did not need to occur.

Use the correct rate and multiply by the hours to get the correct overtime pay, \$140.21, as shown on the paycheck.

Q. Which payroll taxes do I pay?

A. See below.

Taxes

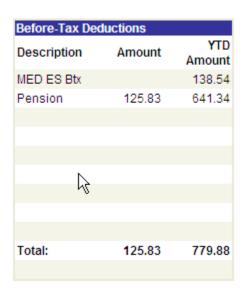
Fed Withholding Federal Income Tax withholding on taxable income (1040 income)

Fed MED/EE Your payment of Medicare Tax (1.45%)

Fed OASDI/EE Your payment of the Social Security Tax (6.2%) reduced by 2% by Federal government

Taxes		
Description	Amount	YTD Amount
Fed Withholdng	309.12	901.61
Fed MED/EE	30.64	89.94
Fed OASDI/EE	88.76	260.52
MN Withholdng	114.75	335.69
Total:	543.27	1,587.76

- Q. Which of my deductions have tax advantages?
- A. Benefit plan before-tax deduction amounts are employee paid and reduce federal and/or state taxable gross.



Before-Tax Deductions

HCFSAEvenHealth Care Spending Account – even numbered yearsHCFSAOddHealth Care Spending Account – odd numbered yearsDCFSAEvenDependent Day Care Spending Account – even yearsDCFSAOddDependent Day Care Spending Account – odd years

HCSP-MSRS Health Care Savings Plan – managed by the Minnesota State Retirement System

Before-Tax Deductions Continued

Def Comp Deferred Comp Savings – ICMA, ING, Great West – State Plan

HFApt Haaf Parking Ramp – Appointed

(Pretax parking indicated by abbreviation of ramp name)

B-taxPassP Pretax Buss Pass

MED ES BtxMedical Plan Essential network Before Tax premiumBtax Opt LOptional Life insurance with Before Tax premiumPensionMERF, PERA, Police/Fire PERA, Police or Fire Relief

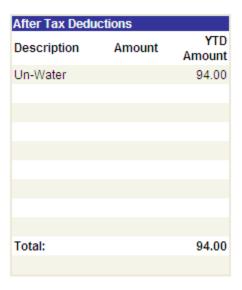
Employer also pays a portion each paycheck

Q. Which deductions are paid with earnings that are already taxed?

A. Union Dues are after tax deductions.

After Tax Deductions

You would also find dependent life and charitable deductions in this category.



- Q. What type of indirect compensation do I receive from my Employer?
- A. You receive Employer Paid contributions toward benefit plans and your future retirement.

Employer Paid	Benefits	
Description	Amount	YTD Amount
SkLvRetER	14.09	71.83
Sngl VEBA		180.00
MED ES Btx		813.80
0100 Dentl		116.00
FT Basic		2.60
City Disab		24.22
Pension	145.96	743.95
	•	
* Taxable		
Total:	160.05	1,952.40

**** Indirect Compensation Year-to-Date

Employer Paid Benefits

SkLvRetER	Employer paid contribution toward sick leave severance at retirement.
Sngl VEBA	Single VEBA/HRA contribution associated with medical plan enrollment
MED EC Rev	Employer's contribution toward your modical plan

MED ES Btx	Employer's contribution	on toward your	medical plan

FT Basic	\$10,000 Basic Term Life Insurance paid by employer
Atax Opt L	Optional Life insurance with After Tax premium

Insurance, per IRS regulations

City Disab Long Term Disability Insurance

- Q. Is my earned sick and vacation time calculated in hours or days?
- A. Sick is hours, exempt vacation is days, non-exempt vacation is also hours. See below:

Sick & Vacation Accrual Balances

Leave Balances Year-To-Date								
Leave Plan	Start Balance	Earned	Bought	Taken	Sold	Adjusted	End Balance	
Sick Hours	841.8	66.5		104.0		-96.0	708.3	
Vacation Days	45.0	18.0		34.0			29.0	

Sick Leave Hours: Applies to both exempt and non-exempt staff

Total *hours* earned, taken, sold (donated), adjusted and the End Balance. End Balance can be divided by 8 hrs. to determine the number of days. (Example: 480 hrs. / 8 = 60 days) (Fire Fighters: 720 / 12 = 60 days)

Vacation Days: Applies to exempt staff only

Per FLSA rules, all exempt employee vacation earnings are converted to days on the online check advice. If the results are a partial day, the number is rounded up or down depending upon the midpoint of the tenth. (Example: 351.5 hrs. / 8 = 43.9 or 44 days)

Vacation Hours: Applies to non-exempt staff only

Total hours earned, taken, sold (donated), adjusted and the End Balance can be divided by 8 hrs. to determine a day value. (Example: 351.5 hrs. / 8 = 43.9 days)

Printing Paycheck or any other Self Service page

When you wish to print any page in the HRIS System, use one of the following options:

- 1. **Do not minimize** the menu on the left side of the page, go to 'File' in the upper left hand corner of the screen and select 'Print' to send the document to your printer of choice.
- 2. OR, **minimize** the menu on the left side of the page, use your mouse and click anywhere on the paycheck. Next, go to 'File' in the upper left hand corner of the screen and select 'Print' sending the document to your printer of choice.

If you are experiencing cutoff data on the right hand side of the check ...

In HRIS, click on File > Page Set up >
Then adjust margins to 0.2
Next, click on File > Print Select your printer and click 'OK'
This will produce 2 pages with all data from your paycheck.

Page Setup		\sim
Paper Options Page Size: Letter (8 1/2 x 11") Portrait Dandscape Print Background Colors and Images Enable Shrink-to-Fit	Le Ri To	largins (inches) eft: 0.2 light: 0.3 light: 0.3 light: 0.4 light: 0.5 li
Headers and Footers Header:		Footer:
Title	~	URL
-Empty-	~	-Empty-
Page # of total pages		Date in short format
Change Font		
Juliana Acavines		OK Cancel